GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Civil Supplies – Procurement Policy of paddy and rice for Kharif Marketing Season 2015-16 – Orders– Issued.

CONSUMER AFFAIRS, FOOD & CIVIL SUPPLIES (CSI) DEPARTMENT

G.O.MS.No. 23 Dated: 04-11-2015

Read the following:

1) G.O.Ms.No.23 CA,F& CS(CS.I) Dept. dated 25.11.2014
2) Joint Secretary to GOI, M/o CA,F&PD, D/o F&PD., Lr.No.6(1)/2007-Py-III, dated 20.02.2015 and 23.04.2015.
3) G.O.Ms.No.22,CA,F& CS(CS.I) Dept., dated 03-11-2015.
4) GoI.Lr.No.4(40/2014-Py.I, dt.26.06.2015 of the Under Secretary to GOI , Min. of CA, F & PD, Dept. of F & PD, Krishi Bhavan, New Delhi.
5) GoI.Lr.No.8-3/2015-S & I, dt.11.08.2015 of the Joint Commissioner(S&R), Min. of CA, F & PD, Dept. of F & PD, Krishi Bhavan, New Delhi.
6) MoU on DCP for KMS 2015-16 in between Govt. of India & Govt. of Andhra Pradesh.

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O R D E R:

The Government of India (GoI) in the reference 2nd read above have directed that no State Govt. shall impose any levy on rice on the millers w.e.f., 1st October, 2015 and shall take action to amend the levy order to ensure that no levy is imposed from 1st October, 2015 onwards. The Govt. of India have provided advance concurrence for such amendment to the Andhra Pradesh Rice Procurement (Levy) Order, 1984.

2. The Andhra Pradesh Rice Procurement (Levy) Order, 1984 is amended in the reference 3rd read above by deleting clause 3, levy on Millers and clause 4 levy on dealers.

Procurement Policy for the Kharif Marketing Season (KMS) 2015-16:

3. In view of the above, procurement policy of paddy / Rice for KMS 2015-16 is hereby formulated as follows:

4. Government of India in the reference 4th read above have fixed the Minimum Support Price (MSP) of paddy of Fair Average Quality (FAQ) of Common variety at Rs.1,410/- per Qtl. and Grade "A" variety at Rs.1,450/- per Qtl.

5. Government of India in the reference 5th read above have forwarded uniform specifications of all varieties of paddy for KMS 2015-16 (Annex-I) for wide publicity among the farmers in order to ensure that the farmers get due price for their produce and rejection of the stocks is avoided and uniform specifications for Grade 'A' & Common Rice for KMS 2015-16 (Annex-II) for distribution of rice under Targetted Public Distribution System (TPDS) and Other Welfare Schemes (OWS). The Procurement of Paddy & Rice during KMS 2015-16 shall be ensured by the State Govt. and Food Corporation of India strictly in accordance with the uniform specifications. The rate of cut for accepting non FAQ paddy by Rice Millers (Annex-III)

6. In terms of the Memorandum of Understanding for decentralized Procurement of paddy / Rice in KMS 2015-16 onwards in between Government of India and Government of Andhra Pradesh in the ref. 6th read above, the Government of *Andhra Pradesh* shall undertake procurement of Paddy /Custom Milled Rice (CMR) on behalf of the Government of India directly and / or through its Agencies, for contribution to the Central Pool during the Kharif Marketing Season 2015-16 onwards. Paddy shall be procured by the Govt. of Andhra Pradesh or its Agencies at Minimum Support Price (MSP). If the overall procurement of the State is in excess of the total allocation of the State made by the Government of India, under TPDS/OWS, such excess quantity shall be treated to be outside the Central Pool. The State Government shall hold with itself the stocks of CMR thus procured under proper scientific storage for distribution under TPDS and other Welfare Schemes as per allocation made by the Central Government at prices notified. Government of the State shall not utilize stocks procured for Central Pool under the decentralized procurement scheme of Government of India for any other State level schemes. State Government shall restrict availing credit facility from RBI for the estimated stocks of paddy to be procured for the Central Pool only. The State Government shall verify the quantities distributed under TPDS and other Welfare Schemes against allocations made by the Government of India.The State Government shall furnish on daily basis, the Revenue district-wise details regarding procurement of paddy/rice during previous day to the concerned District & Regional office of the Food Corporation of India (FCI) for making entries in Online Procurement Monitoring System (OPMS). State Government / Agencies will provide details of paddy stored in miller's premises (miller-wise), if any on weekly basis which will be verified on test check basis by FCI and GOI as per need. The FCI will make joint teams with the State Government to oversee the conduct of procurement operations and to attend to specific complaints, problems, etc. The state Government shall also ensure feeding of data in DISFM. The State Government shall ensure that the total offtake/distribution of rice is within the total allocations made by the Central Government and within norms. If the Stocks of the Rice procured by the State Government exceeds its allocation under TPDS and other Welfare Schemes, such excess stocks shall be handed over to the FCI by the State Government. However, the FCI shall have the option to specify whether such excess rice that would be handed over to FCI for Central Pool by the State shall be in the form of raw rice or parboiled rice to meet the overall consumption requirement of the country under TPDS, OWS and type of rice milled in the State. In the event of the total quantity of CMR falling short of the total allocation made by the Central Government for meeting the requirement of TPDS and other welfare schemes, the Central Government through FCI will meet deficit as per the existing arrangements.

7. The estimated annual requirement of raw rice with three months buffer stock is 36 lakh MTs for Targetted Public Distribution System / Other Welfare Schemes in the State and 54 lakh MTs of Paddy has to be procured from farmers under decentralized procurement of paddy / rice in KMS 2015-16, custom mill the paddy and retain the raw rice for PDS and other welfare schemes and deliver the boiled rice to Food Corporation of India for the central pool.

8. The A.P. State Civil Supplies Corporation Ltd.(APSCSCL), the State Government's Agency, shall procure paddy on a large scale to protect the MSP by opening as many paddy procurement purchase centres as required through Women Self Help Groups(WSHG), Primary Agricultural Cooperative Societies (PACS), District Cooperative Marketing Societies (DCMS) etc. The A.P. State Civil Supplies Corporation Ltd. shall ensure that adequate gunnies, other

infrastructure and equipment are made available at the paddy purchase centres.

9. The A.P. State Civil Supplies Corporation Ltd. shall invariably make on-line payments for the value of paddy purchased from the farmers through RTGS / NEFT. If, for any reason, this is not possible in some districts, the payment may be made through account payee cheques only. The entire transactions of paddy purchases, payment made, transportation done to the mills, paddy delivered to the mills etc. shall be on real time basis. The daily information shall be monitored and informed to the Commissioner of Civil Supplies.

10. The millers may purchase paddy of FAQ at a price not less than the Minimum Support Price. They shall invariably make payment to the farmers through A/c payee cheques / RTGS / NEFT transfer. The enforcement officials shall ensure that millers make payment to the farmers at not less than the MSP through A/C payee cheques or RTGS transfer by conducting verifications. There is no levy on rice on the paddy purchased by millers in terms of Govt. of India instructions. The millers shall maintain the details of transactions of paddy purchased, rice produced, sold etc., as per 'A' and 'B' registers prescribed as per clause 16 of the A.P. Rice Procurement (Levy) Order,1984 and furnish fortnightly returns to the Collector concerned.

11. Non-preferred varieties of rice shall be sold anywhere in the country without any permit/ release certificate by the millers. The Government whenever it finds necessary, basing on the availability and price situation of the non-preferred varieties of rice, shall impose conditions and order for sale of non-preferred varieties of rice in 1:1 ratio between within and out side the State under clause 7 of A.P. Rice Procurement (Levy) Order, 1984.

12. In order to have accountability and ensure prices of Superfine preferred varieties of rice are available at affordable prices in the open market in the State, the miller shall sell the superfine preferred varieties of rice in 2:1 ratio between within and outside the State, under clause 7 of A.P. Rice Procurement (Levy) Order, 1984. For sale of preferred varieties of rice within the state, no release certificate is required by the miller. For sale of rice outside the State, the miller shall take release certificate consequent on sale of 2 unit of rice within the state for sale of 1 unit of rice out side the state.

13. The Rice Millers shall undertake custom milling of paddy, as and when the farmers bring the paddy to the rice mills as per proviso under clause 10(1) of the A.P. Rice Procurement (Levy) Order, 1984.

14. The A.P. State Civil Supplies Corporation Ltd. shall make necessary arrangements as follows:

- For opening of paddy purchase centres as many as required.
- Identification of PPC and tagging of rice mills to the Paddy Purchasing Centres(PPCs) for custom milling.
- Transport arrangements for immediate shifting of paddy to the rice mills or to the intermediary godowns, if necessary.
- Identification and hiring of SWC / CWC/ FCI / Marketing godowns for storage of CMR.
- Private Godowns, if necessary, be hired for storage of CMR.

- Appoint Technical, Accounts and other maintenance staff on outsourcing basis / retired persons from FCI / APSCSCL at the godowns for receiving CMR as per FAQ specifications and for proper storage if necessary
- Advance plan and agreements with Railways for transport of rice from surplus districts to the deficit districts.
- If there is delay in the transportation of paddy to the rice mills and it becomes inevitable, the APSCSCL shall transport the paddy to the intermediary storage points for storing in the Covered Area Plinth (CAP) storage model with a view to protect the stocks from vagaries of nature, and avoid deterioration of quality.

15. The A.P. State Civil Supplies Corporation Ltd. shall also monitor on a day to day basis, the paddy handed over to the mills for custom milling, raw rice delivered to them and boiled rice to the FCI, the quantity of rice yet to be delivered etc. and submit the details to the Commissioner of Civil Supplies.

16. The A.P. State Civil Supplies Corporation Ltd. shall take action to ensure that raw rice as delivered under CMR is accepted by having adequate godown space at MLS points and other buffer godowns. He shall be in constant contact with the SWC, CWC, Marketing Dept. etc. and take action to get the godown space placed at their possession; in case suitable scientific private godowns are available, they may also be taken on lease/rent. He shall also explore the possibility of godown construction through Govt. Warehousing agencies and other private entrepreneurs under PEG schemes etc. for taking on 7 years/5 years/2 years guarantee. Under no circumstances, non-receipt of CMR raw rice by the AP State Civil Supplies Corporation Ltd. for want of godown space is avoided.

17. The CMR raw rice retained by the AP State Civil Supplies Corporation Ltd. shall be utilized for the PDS and other welfare schemes in the State. If the rice stocks procured is in excess of the requirement for PDS / OWS, such excess stocks shall be handed over to the FCI. The deficit for the requirements would be made available by the FCI as per the terms and conditions of the De-Centralised Procurement.

18. The Rice Millers shall simultaneously undertake the custom milling of paddy procured by the State Government Agencies and Food Corporation of India, on such terms and conditions stipulated from time to time by the State Government / APSCSCL and any delay in converting the paddy to rice shall force the agencies to incur heavy loss or to pay the interest to the Banks on the value of paddy purchased as per clause 9 of the A.P. Rice Procurement (Levy) Order, 1984. The Collectors may allot the paddy purchased at the Purchase centres of women Self Help Groups/ Velugu / DCMS / PACSs / PPCs / Market Yards etc., to rice mills for immediate custom milling without storage of the paddy. The rice millers, within 15 days from the date of receipt of paddy, have to complete custom milling of paddy and deliver the resultant rice, either as raw rice or boiled rice, as prescribed by the Government or the State Agency concerned, for the paddy handed over by the A.P. State Civil Supplies Corporation Ltd. The Collectors shall direct the rice millers to mill the paddy handed over to them by the State agency and deliver custom milled rice to the A.P. State Civil Supplies Corporation Ltd. / Food Corporation of India. The Collectors

shall review the entire process of custom milling operations regularly and take necessary action against the rice millers, who fail to do custom milling of paddy procured by the A.P. State Civil Supplies Corporation Ltd., duly following the procedure in vogue.

19. It shall be the responsibility of the Collector (CS) to ensure that the CMR rice is delivered by the rice millers as expeditiously as possible. The APSCSCL shall monitor the delivery of CMR rice on daily basis and ensure that the delivery of CMR rice is made promptly. If there are any issues, they shall be brought to the notice of the Commissioner of Civil Supplies or the Collector concerned for immediate assistance / redressal.

20. In case of any delay in custom milling of paddy due to non-availability of adequate rice milling capacity in the district, non-availability of godown space, due to non-provision of railway rakes and also with a view to facilitate early delivery of CMR rice, the paddy may be transported from the paddy procured district to the rice mills directly in other districts by the Collectors concerned in consultation with the Collectors of the districts to which paddy is proposed to be moved. The expenditure incurred by the A.P. State Civil Supplies Corporation shall be booked to the MSP operations of paddy and the same shall be included in the audited accounts of KMS 2015-16, so that the Government of India will be requested for reimbursement of the same.

21. The Commissioner of Marketing shall issue necessary instructions to all the Secretaries of Agriculture Marketing Committees (AMCs) to prepare a contingency plan well in advance to tackle the additional arrivals, for smooth market operations during the season to get the equipment / machinery available with the AMCs in working condition, to maintain log books for each equipment, to make a note of the usage particulars and to take into account the equipments / machinery available with the nearby markets (Non-functional) and with self help group centres while planning for procurement of additional equipment to meet the seasonal requirement. The Godown space available in the AMCs should also be kept ready for occupation and wide publicity should be given about MSP rates, equipments and godown space available with AMCs.

22. The Marketing Department will provide required number of moisture meters (Best quality), Tarpaulins, Paddy cleaners, Winnowing machines, etc., equipment to be determined with reference to the past performance and to make them available at all the Paddy Purchase Centres operated by S.H.Gs / DCMS / PACSs / PPCs / Market Yards without fail. One moisture meter should also be provided to the progressive group of farmers / S.H.Gs / Gram Panchayats to enable the farmers to check the moisture contents of the paddy before they bring the paddy to the purchase centres for sale.

23. The Collectors shall fix uniform Hamali charges in the entire district by conducting meeting with the Hamali Unions, Secretaries of AMCs and Procuring Agencies. The Handling Charges should include weighment, stitching and stacking / loading at PPCs / AMCs. The Hamali Charges, thus, fixed will have to be borne by the buyers of the stocks at PPCs / AMCs including the State Procuring Agencies.

24. The Collectors shall review the progress of procurement on daily basis. The Collectors shall send daily reports on the progress of procurement to the Commissioner of Civil Supplies as stated above. The Collectors will also bring to the notice of the Commissioner of Civil Supplies, problems, if any, faced by them in procurement of rice including requirement of funds for items of expenditure other than cost of paddy procured by A.P. State Civil Supplies Corporation Ltd and / or

any other agency so as to take immediate appropriate action in the matter. The Collectors shall constitute a District Procurement Committee with the Joint Collector as Chairman with District Level officials of all connected departments, namely, Agriculture, Marketing, Civil Supplies, Transport, DRDA, ITDA, I&PR, Warehousing Agencies (CWC, SWC), Procurement Agencies (FCI, APSCSCL) and also Sub-Collectors / RDOs as members to coordinate and decide on all the activities and monitor the work on day-to-day basis as per the operational guidelines.

25. The Collectors shall ensure that the enforcement officials under the A.P. Rice Procurement (Levy) Order, 1984 inspect the rice mills periodically to ensure that the paddy handed over for custom milling is stored under proper conditions, milling of paddy, delivery of CMR, balance stock available etc., and to take immediate action if any discrepancy is noticed.

26. Operational guidelines for Decentralised Procurement of Paddy and Rice in Andhra Pradesh during 2015-'16 (Annex-IV)

27. Wide publicity of the location of the paddy purchase centres, specifications of FAQ paddy, MSP and prescribed value cuts for the non-FAQ paddy shall be given through press, pamphlets, leaflets, and electronic media besides organizing extensive training programmes for the farmers through the Agriculture Extension Staff / Quality Control Officials out of the funds earmarked by Marketing Department in this regard and other funds available at their disposal.

28. The Government or the Commissioner of Civil Supplies may issue any guidelines or orders from time to time to ensure uninterrupted procurement of paddy and CMR.

29. A copy of this order is available on the internet and can be accessed at the address- www.ap.gov.in

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

G. JAYALAKSHMI
EX-OFFICO SECRETARY TO GOVERNMENT

To
The Commissioner of Civil Supplies, A.P. Hyderabad.
The VC & Managing Director, A.P. State Civil Supplies Corporation Limited, Hyderabad.
All the Collectors .
The General Manager (A.P.), Food Corporation of India, Hyderabad
The Chief Executive Officer, SERP, Hyderabad.
All the Joint Collectors / All the District Supply Officers.
The Commissioner for Cooperation and Registrar of Cooperative Societies, A.P., Hyderabad.

Copy to:
The Secretary to Govt. of India, Min. of Consumer Affairs, Food & Public Distribution, Dept., of Food & Public Distribution, Krishi Bhavan, New Delhi.
The Director General, Vigilance and Enforcement Dept, Hyderabad.
The Principal Secretary to Govt., Revenue(CT), Dept, A.P. Hyderabad.
The Principal Secretary to Govt., Agrl. & Cooperation, A.P. Hyderabad.
The Secretary to Government, Agriculture Dept., Hyderabad
The Managing Director, A.P. State Warehousing Corpn. Ltd, Hyderabad
The Regional Manager, Central Warehousing Corporation, Hyderabad.
The Commissioner, Commercial Taxes Dept., Hyderabad.
The Commissioner & Director of Marketing, Hyderabad.

The Commissioner & Director of Agriculture, Hyderabad.
The Commissioner, Transport, Hyderabad.
The Commissioner, I & PR, Hyderabad.
The Secretary to Hon'ble Chief Minister for information
The P.S to Hon'ble Minister for Price Monitoring, Food, Civil Supplies & Consumer Affairs, A.P. Hyderabad.
The P.S. to Hon'ble Minister for Finance, A.P. Secretariat, Hyderabad.
The P.S to Hon'ble Minister for Agriculture and Horticulture, A.P, Hyderabad.
The P.S to Hon'ble Minister for Marketing Department, A.P., Hyd'bad.
The President, Rice Millers Association, A.P.,
The President, DRMA, EG/WG/RMWA, Krishna district
SF/ spare

//FORWARDED BY ORDER//

SECTION OFFICER

: A N N E X – I ::

UNIFORM SPECIFICATION OF ALL VARIETIES OF PADDY
(MARKETING SEASON 2015-16)

Paddy shall be in sound merchantable condition dry, clean, wholesome of good food value, uniform in colour and size of grains and free from moulds, weevils, obnoxious smell, *Argemone maxicana, Lathyrus sativus* (Khesari) and admixture of deleterious substances.

Paddy will be classified into Grade 'A' and Common groups.

Schedule of specification

Sl. No.	Refractions	Maximum Limits (%)
1.	Foreign matter	
	a) Inorganic	1.0
	b) Organic	1.0
2.	Damaged, discoloured, sprouted and weevilled grains	5.0*
3.	Immature, Shrunken and shrivelled grains	3.0
4.	Admixture of lower class	6.0
5.	Moisture content	17.0

* Damaged, sprouted and weevilled grains should not exceed 4%.

N.B.

(i) The definitions of the above refractions and method of analysis are to be followed as per BIS Method of analysis for foodgrains' Nos. IS: 4333 (Part-I) 1996, IS: 4333 (Part-II), 2002 and 'Terminology for foodgrains' IS: 2813 – 1995, as amended from time to time.

(ii) The method of sampling is to be followed as per BIS method for sampling of Cereals and Pulses IS: 14818-2000 as amended from time to time.

(iii) Within the overall limit of 1.0% for organic foreign matter, poisonous seeds shall not exceed 0.5% of which Dhatura and Akra seeds (Vicia species) not to exceed 0.025% and 0.2% respectively.

G. JAYALAKSHMI
EX-OFFICIO SECRETARY TO GOVERNMENT

:: A N N E X – II ::

UNIFORM SPECIFICATION FOR GRADE 'A' & COMMON RICE
(MARKETING SEASON 2015-16)

Rice shall be in sound merchantable condition, sweet, dry, clean, wholesome, of good food value, uniform in colour and size of grains and free from moulds, weevils, obnoxious smell, admixture of unwholesome poisonous substances, *Argemone maxicana* and *Lathyrus sativus* (Kesari) in any form, or colouring agents and all impurities except to the extent in the schedule below. It shall also conform to PFA Standards.

SCHEDULE OF SPECIFICATION

Sl.No	Refractions	Maximum Limit (%)	
		Grade 'A'	Common
1	Brokens * Raw Parboiled/Single parboiled rice	 25.0 16.0	 25.0 16.0
2	Foreign Matter ** Raw/Parboiled/Single parboiled rice	0.5	0.5
3	Damaged # / Slightly Damaged grains Raw Parboiled / Single parboiled rice	 3.0 4.0	 3.0 4.0
4	Discolored Grains Raw Parboiled / Single parboiled rice	 3.0 5.0	 3.0 5.0
5	Chalky Grains Raw	5.0	5.0
6	Red Grains Raw/Parboiled/ Single parboiled rice	3.0	3.0
7	Admixture of Lower Class Raw/Parboiled/ Single parboiled rice	6.0	--
8	Dehusked Grains Raw/Parboiled/ Single parboiled rice	13.0	13.0
9	Moisture content Raw/Parboiled/ Single parboiled rice	14.0	14.0

* Not more than 1% by weight shall be small brokens.

** Not more than 0.25% by weight shall be mineral matter and not more than 0.10% by weight shall be impurities of animal origin.

Including pin point damaged grains.

G. JAYALAKSHMI
EX-OFFICIO SECRETARY TO GOVERNMENT

NOTES APPLICABLE TO THE SPECIFICATION OF GRADE 'A' AND COMMON VARIETIES OF RICE

1. The definition of the above refractions and method of analysis are to be followed as given in Bureau of Indian Standard "Method of analysis for Foodgrains" No's IS : 4333 (Part-I) 1996 and IS : 4333 (Part - II) 2002" Terminology for Foodgrains" IS : 2813 - 1995 as amended from time to time. Dehusked grains are rice kernels whole or broken which have more than ¼ of the surface area of the kernel covered with the bran and determined as follows:-

ANALYSIS PROCEDURE:

Take 5 grams of rice (sound head rice and brokens) in a petri dish (80X70 mm). Dip the grains in about 20 ml. of Methylene Blue solution (0.05%by weight in distilled water) and allow stand to for about one minute. Decant the Methylene Blue solution. Give a swirl wash with about 20 ml of dilute hydrochloric acid (5% solution by volume in distilled water). Give a swirl wash with water and pour about 20 ml. of Metanil Yellow solution (0.05% by weight in distilled water) on the blue stained grains and allow to stand for about one minute. Decant the effluent and wash with fresh water twice. Keep the stained grains under fresh water and count the dehusked grains. Count the total number of grains in 5 grams of sample under analysis. Three brokens are counted as one whole grain.

CALCULATIONS :

$$\text{Percentage of Dehusked grains} = \frac{N \times 100}{W}$$

Where N = Number of dehusked grains in 5 grams of sample
W = Total grains in 5 grams of sample.

2. The Method of sampling is to be followed as given in Bureau of Indian Standard "Method of sampling of Cereals and Pulses" No IS : 14818- 2000 as amended from time to time.

3. Brokens less than 1/8th of the size of full kernels will be treated as organic foreign matter. For determination of the size of the brokens average length of the principal class of rice should be taken into account.

4. Inorganic foreign matter shall not exceed 0.25% in any lot, if it is more, the stocks should be cleaned and brought within the limit. Kernels or pieces of kernels having mud sticking on surface of rice, shall be treated as Inorganic foreign matter.

5. In case of rice prepared by pressure parboiling technique, it will be ensured that correct process of parboiling is adopted i.e. pressure applied, the time for which pressure is applied, proper gelatinisation, aeration and drying before milling are adequate so that the colour and cooking time of parboiled rice are good and free from encrustation of the grains.

G. JAYALAKSHMI
EX-OFFICIO SECRETARY TO GOVERNMENT

Annex-III

SCHEDULE OF SPECIFICATIONS FOR FAQ PADDY

Sl.No	Refractions	Maximum Limit (%)
1.	Foreign matter a) Inorganic b) Organic	 1.0 1.0
2.	Damaged, discoloured, sprouted and weevilled grains	5.0*
3.	Immature, shrunken and shriveled grains	3.0
4.	Admixture of lower class	6.0
5.	Moisture content	17.0

* Damaged, sprouted and weevilled grains should not exceed 4%.

RATE OF CUT FOR ACCEPTING NON-FAQ PADDY
BY RICE MILLERS

Sl.No		Rate Cut	
		Grade 'A'	Common
		Rs. P.	Rs. P.
1.	a) Inorganic for every 1% over permissible 1% b) Organic for every 1% over permissible 1%	14.00 14.00	13.60 13.60
2.	Damaged, Discoloured, Sprouted, Weevilled, Immature, Shrunken and shriveled grains For ever one percent over permissible 8% (up to 10%)	14.00	13.60
3.	Moisture: For every 1% over permissible 17%	14.00	13.60

G. JAYALAKSHMI
EX-OFFICIO SECRETARY TO GOVERNMENT

:: A N N E X – IV::

GOVERNMENT OF ANDHRA PRADESH

CONSUMER AFFAIRS, FOOD AND CIVIL SUPPLIES DEPARTMENT

DECENTRALISED PROCUREMENT

OF PADDY AND RICE

IN

ANDHRA PRADESH

DURING KHARIF MARKETING SEASON (KMS) 2015-16

OPERATIONAL GUIDELINES

OPERATIONAL GUIDELINES

Procurement of Paddy at MSP:

Measures required to be taken by the AP State Civil Supplies Corporation Ltd. in coordination with the Joint Collectors:

- Wide publicity of the MSP for paddy for Common and Grade A along with the specifications prescribed for getting MSP through print and electronic media, tom tom (beat of drum) and through pamphlets/leaflets, posters etc.;
- Paddy shall be purchased from the farmers directly by eliminating the middlemen.

- The registration of farmers has been started from KMS 2014-15 at respective PPCs and new farmers if any leftover during the last season may register this year KMS 2015-16 and the process may be undertaken.

- The documents like Pattadar Pass Book, letter from the Village Revenue Officer about tenancy and area covered under the paddy are to be produced by him in his land while registration.

- The land details and its ownership/tenancy shall be verified with reference to the web land portal of the Revenue department.

- The Commissioner of Land Revenue (CLR) shall be addressed to provide access to the data bank of land details contained in the web land portal and e-panta for crop details.
- Paddy at MSP shall not be accepted at Paddy Purchase centres from the millers and dealers;
- Identification of sub-agencies for procurement of paddy like Velugu (Women Self Help Groups), PACs, DCMSs, Rythu Mithras etc. in consultation with the Joint Collectors.
- Identification of areas for opening the exclusive Paddy Purchase centres in addition to the AMCs;
- Computerisation of all procurement points to be ensured before commencement of procurement.
- Assess and position the required number of gunnies and suthli at each of the purchase centre;

- Availability of equipment like Paddy Cleaners, drying machines, Winnowing machines, sieves, moisture meters, calipers etc. which are required for MSP operation.
- Assistance/Support from the Marketing Department to be taken for getting equipment at AMCs / purchase centres.
- Marketing Department shall assess the requirement of equipment required at all the PPCs, present availability and make available the balance to the PPCs etc.
- At each Paddy Purchase centre of Velugu (Women Self Help Groups) one Tech. Assistant from their side shall be positioned by the SERP.
- Position the staff required for taking samples for analysis of the quality and its acceptance and helpers and others;
- Assess the quantity of paddy likely to arrive at each of the purchase centre depending upon the neighbouring villages;
- Prepare the schedule to regulate arrival of paddy from villages/areas nearer to the purchase centre so that there is no stampede/congestion at the purchase centre;
- Storage arrangements at the purchase centre like tarpaulin etc to cover them till paddy is moved to mills;
- Transport Contractors to make available adequate transport fleet;
- Permission to millers who want to transport the paddy from PPC on their own for custom milling;
- Rice Mills to be identified for doing custom milling of paddy and delivering raw rice to the APSCSCL and boiled rice directly to the FCI on behalf of the APSCSCL;
- Purchase centres to be tagged on to the rice mills;
- Wherever inevitable and unavoidable, interim storage for paddy to be identified and CAP storage technology to be adopted;
- Payment to the farmers to be done within 48 hours online directly through RTGS to the farmers account through integrated banking system.
- The mandi labour charges like filling and placing the unit on the weighing machine; weighment; unloading from the balance, stitching of bags, loading, marking and temporary stacking at PPC should be borne from out of the Mandi labour charges provided in the costing sheet. If the cost is more than the charges permitted in the cost sheet, the balance shall be borne by the farmer, who delivers paddy to the APSCSCL.
- The mandi labour charges shall pass on to the agencies who undertakes the handling of paddy stocks at PPCs and the amounts should be passed on to the genuine persons.

- The possibility to have RFID tags to the levy bags may also be explored gradually to ensure that there is no scope for recycling of PDS rice at any stage.
- APSCSCL shall enhance the capacity of the MLS point godowns;
- Godown requirement shall be assessed for receiving the CMR raw rice for State's PDS;.
- Available Godowns of the SWC, CWC, Marketing Department etc. and scientific godowns of the private parties should be taken;
- Godowns dehired by the FCI to be taken over by the APSCSCL.
- APSCSCL to be in constant contact with the SWC, CWC, Marketing Department for taking over the new godowns and also to make a request to the concerned for reservation of the godown space to be created either by dehiring them or from new construction.
- APSCSCL shall take action to construct buffer godowns either on their own or getting them constructed through other sources wherever needed by adopting modern technology.
- In the alternative, expression of Interest to be obtained for construction of godowns at required places by the interested parties for taking on rent / lease by the AP State Civil Supplies Corporation on 10 years/ 7 years/5 years/2 years guarantee.
- One agency shall be entrusted with the study of construction of godowns by following the procedure for appointing such consultancy.
- Godowns shall provide space to have access for the trucks coming for delivery of rice apart from weighing machines/beam scales;
- Adequate movement space for carrying on the operations by the hamalies and staff to be available in the godowns.
- Required technical staff to be positioned by the AP State Civil Supplies Corporation by engaging the staff on deputation from the FCI, utilization of services of the retired officials from FCI/CS Corporation and hiring on contract basis so as not to hamper procurement operations due to lack of staff.
- The required staff shall be taken from the out-sourcing; but, after the season is over, the surplus staff shall be terminated.
- Necessary staff like Technical, Accounts and the supporting staff shall be deployed in the godowns and they shall be under the supervision of the Godown in charges.
- Over and above the Quality staff provided by the FCI on deputation and from retired employees, the balance required staff shall be taken from the out-sourcing;

- Necessary staff like Technical, Accounts and the supporting staff shall be deployed in the godowns and they shall be under the supervision of the Godown in charges.
- Samples taken shall be analysed to ensure that rice is as per specifications;
- Payment to be made to the rice millers through "Account payee" cheque/RTGS system.
- Proper weighment at the time of receipt and issue is essential.

CUSTODY AND MAINTENANCE OF STOCKS OF PADDY / RICE:

- The District Administration shall declare every trading Rice Mill as Storage Points for storing of paddy for custom milling.

- The paddy shall be supplied to the designated Rice Mills for undertaking custom milling on behalf of APSCSCL.

- The Rice Millers shall be made responsible to receive the paddy stocks, storage and maintenance until entire custom milling is completed during the season.

- All the incidentals right from receipt of stocks and completion of custom milling have to be borne by the respective rice mills only. As such the custodian & maintenance charges as admissible as per provisional costing sheet of GOI will be passed on to the respective rice mills on account of declaring as storage points.

- In case, the paddy is issued to the rice mills for custom milling from intermediary storage points hired by APSCSCL, then the APSCSCL shall retain the custodian & maintenance charges as admissible as per GOI costing sheet will be retained by APSCSCL.

- Proper dunnage at the godowns to be done;
- Custody and Maintenance system to be followed as per the Warehousing norms;
- Stacking to be done properly as per the standard norms being adopted in the FCI godowns;
- Stock procured under CMR to be verified physically before issue under PDS or any other schemes by the team consisting of District Manager and Assistant Manager (Technical) to ensure quality as per the specifications.

- FIFO (First-in-First Out) for delivery of rice for PDS and other schemes to be followed;
- Tags for the stacks as required under the godown procedure to be followed;
- Preservation methods for storage of stocks to be followed;
- Fumigation, spraying etc. should be done as per the time schedule prescribed as per the quality maintenance norms;
- Accounting system should be fool proof.

- Receipt and issue of stocks to be properly maintained.
- Weighment at the time of receipt and issue to be done.
- Transport Contractors shall be held responsible for short delivery.
- Recovery of cost for short delivery of rice shall be made as per the Contract/agreement.
- Wherever facility is available, computerization of accounts to be done immediately. In other places, it shall be done in a time bound manner.
- Godown staff shall be responsible for proper accounting of the stocks, payment process and maintenance of stocks.
- District Manager and other superior officials including the Revenue Divisional Officers, who are already empowered to do physical verification, to frequently visit the godowns to ensure that there is proper management of stocks.
- Godowns shall be clean and tidy to deny access to rodents/snakes etc. and as per prescribed standards.
- Improper maintenance of godowns leads to deterioration in quality and quantity of rice. Hence, need for proper maintenance.

Duties and Responsibilities of the APSCSCL:

- Assess the requirements of Cash credit limit for procurement of paddy and rice;
- Furnish cash flow statements periodically to the RBI through Government;
- Ensure that the stocks of rice/paddy match with the outstanding cash credit;
- Daily monitoring of availability of funds in the districts for procurement of paddy and CMR rice and making available the required funds through on-line transfer.
- There shall be no non-receipt of stocks either under paddy procurement or raw rice procurement for want of funds. VC & MD APSCSCL shall ensure this.

- Proper monitoring of offtake of rice for PDS and other welfare schemes for claiming subsidy from Govt. of India;
- Prompt Claim of the subsidy from the Govt. of India every quarter as per the provisional costing sheet – initially at 90% and subsequently at 95% as per the DCP scheme;
- Audited accounts to be furnished to get the balance 5%;
- Subsidy requirement from the State Govt. (the difference between the GOI's rate – Re.1 per kg) to be worked out every quarter and claimed from the Government;
- The sales realization of rice from the FP Shops at subsdised rate, the subsidy amounts received from the Govt. of India and the State Government to be credited in the cash credit account;
- Periodicals to be obtained from the District Managers on every aspect of the transaction – right from purchase point till the distribution point – including intermediary transactions.

- To ensure quick delivery of CMR and to maintain buffer stocks as incase of FCI, movement of raw rice/ Paddy have to be done with least cost to the corporation.

- Criss- cross movement (movement to another district and getting back from the same district) of rice not to be resorted.
- During the KMS 2015-16, the APSCSCL has to move raw rice through rakes /road and make available in the deficit districts for the PDS and other welfare schemes.

- APSCSCL to be frequently in touch with the FCI for undertaking buffer operations by FCI, delivery of boiled rice godown spaces etc.
- The paddy Procurement Software should be updated to the requirement and for capturing all the details right from PPC to delivery of CMR at the godowns.
- MIS shall be worked out for proper monitoring.
- District Managers of the APSCSCL shall be responsible for proper quality check, maintenance of stocks and accounts in the godowns, preservation measures.
- The APSCSCL may explore the possibility for appointing third party godown operators for maintenance of stocks.
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- Frequent inspections reduce the mismanagement and misappropriations; Dist. Managers of APSCSCL besides RDOs and DSOs to verify periodically to curb the diversions for recycling or shortages; Surprise inspections by officials from the Headquarters of APSCSCL to be done.

- A vigilance wing at the State Headquarters of the APSCSCL to be constituted for surprise inspections or on complaints.
- Timely reconciliation of accounts with the sub-agencies like Velugu (Women Self Help Groups) groups, PACSs, DCMSs, Rythu Mithras etc. to be done for payment of commission due to them.

ROLE OF JOINT COLLECTORS:

- Joint Collectors as Ex-officio Executive Directors of the APSCSL to play a pivotal role in implementing the DCP under their guidance, gauze and scrutiny.
- Shall organize publicity through the electronic and print media, posters, leaflets and posters besides tom tom wherever possible about the MSP, specifications, location of purchase centres, time schedule for different areas for delivery of paddy;
- Ensure Positioning of gunnies, suthli, required equipment like Paddy cleaners etc., Deployment of required staff Quality check, acceptance of paddy at the purchase centres, transport fleet for movement of paddy to mills, intermediary storage wherever needed; Funds requirement by the DM, CS Corporation for accepting paddy and CMR rice; and all other related matters to the DCP.
- Shall oversee the functions of the District Managers of APSCSCL on a daily basis and suitably advise them for proper implementation of DCP.
- Shall inspect the purchase centres and the godowns as frequently as possible to ensure that there is no hardship to the farmers, paddy stocks are procured without any hardship to the farmers, quality check is proper, payment is done without delay, stocks are moved to the mills for custom milling, proper accounts are maintained etc.
- ***The Collectors(CS) with the assistance of DSOs shall map the PPCs with the rice mills and tag the PPCs to rice mills for unloading of paddy without any interruption and monitor the unloading of paddy at the rice mills. Issue appropriate order in case of exigencies of unloading of paddy at the mill point.***
- ***Provide necessary assistance of the DMs to DSOs by providing date-wise quantity of paddy unloaded at each rice mill for monitoring of delivery of CMR within the stipulated time and for realizing the CMR rice from the rice millers.***

- ***The Collectors(CS) with the assistance of DSOs and DMs shall monitor on day to day basis the paddy handed over to the mills by APSCSCL and delivery of rice and submit report to the CCS on weekly basis.***
- ***Conduct regular weekly meetings with rice millers for delivery of CMR within the stipulated time.***
- Initiate action against the rice millers who fail to deliver the custom milled rice as per the agreement.
- Check the godowns frequently to ensure proper stacking and maintenance of stocks, issues as per FIFO, proper weighment, maintenance of records, stock verification etc.
- Ensure acquisition of suitable godowns of the private parties for storing the stocks of the APSCSCL if needed by requisitioning them and also by negotiating with the Warehousing Departments for placing the available godowns at the disposal of the APSCSCL.
- Allot lands to the Civil Supplies Department for getting the godowns constructed by the APSCSCL for storing the rice.

GUNNIES

- The DMs should regulate the issue of gunnies to the PPCs for filling of paddy and gunnies shall be released proportionately to the paddy arrivals in the respective PPCs under proper acknowledgement. Proper gunny account shall be maintained at all the DMOs with regard to receipts, issues and closing balances. However a software package is developed by HO in consultation with the TCS and necessary entries shall be made online accordingly.
- The PPCs will render account of gunnies to the DMO concerned after completion of paddy procurement operations.
- The DMs and AMs (Tech.) shall ensure the quality parameters of new gunnies received from the Jute Mills while unloading at good sheds/ godowns.

PADDY TRANSPORTATION:

- The District Procurement committees shall appoint paddy transport contractors, fix the transport rates and approve for shifting of paddy from the PPCs and especially the areas of inaccessible and more distant places to reach the rice mill shall be considered separately. The paddy transportation

distance slabs be fixed from 0-8 KMs in first slab and beyond 8Kms in second slab.

- The paddy transport contractor shall be appointed and in any case if the Millers/Farmers transports the paddy from PPCs to the mill points voluntarily due to failure of paddy transport contractor, the transport charges shall be passed on to such persons and the relevant data shall be uploaded online by PPC incharge. Such payments shall be made monthly basis.

- The Rice Millers so designated and tagged to the PPCs may also transport the paddy from respective PPCs with their own transportation arrangements and the transport charges shall pass on to them as per GOI provisional costing sheet. A consent letter shall be obtained from all the designated Rice Mills accepting the transport charges as per GOI costing sheet.

- In case the mandi labourers are engaged by the truck operators for handling of paddy at PPCs and its shifting to the designated rice mills for custom milling, the mandi labour charges as per GOI Provisional Cost Sheet shall pass on to them. Otherwise, the above handling of paddy is the responsibility of the PPCs.

INTER DISTRICT TRANSPORTATION OF PADDY

- The paddy purchased in surplus district shall be moved to the deficit districts for custom milling as the millers of non paddy grown area have come forward to bear 33% (Chittoor district only) of transportation charges voluntarily.
- The CMR rice deliveries in such districts will be utilized under PDS as per their requirement.
- The District Administration, DSOs & DMs of non paddy procurement districts (deficit district) shall designate the mills for receipt of paddy for custom milling as per the milling capacity and monitor the paddy arrivals in their respective districts from surplus districts. Such lists of designate mills shall be communicated to the DMs concerned of the surplus districts to have control upon the paddy movement.

- The millers of non paddy procurement districts also shall furnish the Bank Guarantee as stipulated in the guidelines to their respective DMs, APSCSCL.

- The millers should invariably be furnished the details of paddy receipts to the DSOs and DMs for monitoring of CMR deliveries and its proper storage in the respective districts.

- Confirmation of paddy receipts shall be furnished to the respective District Authorities and the consigner districts.
- Separate accounts should be maintained by the millers for paddy and CMR deliveries and daily report on receipt of paddy and CMR deliveries should be intimated to the respective DSOs & DMs.

- The resultant rice delivered by the millers of the non paddy procurement areas shall be utilized for PDS as per the monthly requirement from out of the custom milled rice.

- Proper planning shall be drawn for accepting of CMR in the respective districts to avoid Cris Cross movement and intra district movement.

- The DMs APSCSCL of such districts shall identify the Godown space in their respective districts to make the CMR available in all over the district.

- Where ever possible the DMs should prefer all the MLS points for accepting of CMR to the extent of storage capacity and turnover of the stocks secondly CWC/ SWC/ investor godowns/ private hired godowns (scientific) for storage of buffer stocks.
- The DMs of surplus paddy districts shall dispatch the paddy to the deficit districts parallel to the transportation of paddy in their respective districts. Separate account shall be maintained for inter district movement of paddy with all details.
- APSCSCL shall also appoint transport contactors for inter district movement of paddy from surplus districts to deficit districts for custom milling.
- Such dispatch of paddy stocks shall be reconciled with reference to the receipt particulars of recipient districts.

CUSTOM MILLING OF PADDY:

- Agreements with the designated Rice Millers and MoU with Rice Millers Association to be entered into by the Dist. Managers of the APSCSCL.
- Bank guarantee towards security for the value of stocks paddy delivered to be obtained from the recipient miller. The value of the BG shall depend upon the milling capacity. Paddy shall be released to the extent of the value of bank guarantee furnished by the individual rice miller.
- Monitoring of the stocks of paddy issued for custom milling, custom milled rice to be delivered as per the ratio fixed for raw and boiled rice, rice delivered to the CS Corporation (Raw rice) or to the FCI (boiled rice) on behalf of the Civil Supplies Corporation to be done daily by the District Manager concerned at district level and VC & MD., APSCSCL at Headquarters.
- CMR to be delivered within 15 days from the data of receipt of paddy. The frequency of CMR deliveries should strictly be watched keeping in view of bank guarantee and the flow of paddy issues should be consistent to the quantity prescribed against bank guarantee.
- The District Managers of Paddy Procuring districts shall obtain a list of designated rice mills in consultation with the Collectors (CS) and the formalities viz., bank guarantee, agreement with the designated rice millers and MoU with Rice Millers Association shall be completed well in advance prior to commencement of KMS 2015-16.
- The paddy issued to the millers for custom milling should be stored in hygienic conditions and in countable manner by the millers to facilitate for inspections by officials authorized.
- Every designated rice mill should contain a display board prescribing that "this rice mill is designated for custom milling of Govt. paddy on behalf of APSCSCL and stocks of paddy, rice and other by-products shall not be pledged by any Financial Institutions for release of loans. By Order-District Collector"
- District Manager concerned to be held responsible for non-receipt of CMR rice on time.

WAREHOUSING AGENCIES:

- SWC, CWC, Marketing Department etc. to consider allotting the godowns available/to be vacated/to be constructed to the APSCSCL in preference to others.
- SWC may also take over private godowns and place at the disposal of the APSCSCL as is being done at present for the FCI.
- Wherever their godowns are used as buffer godowns, the custody and maintenance to be done by them as is being done at present for the FCI.

Trainings imparted by the experts to the staff of the APSCSCL:

- Trainings given by the experts to the APSCSCL staff in respect of quality checks, maintenance of godowns, preservation of stocks etc. to be followed mutatis mutandis.
- Operational manual for godown maintenance to be followed by the staff in charge of the godown maintenance.

COMPLAINT CELL AND REDRESSAL MECHANISM:

- Control rooms to be opened in every district and a toll free telephone to be operative in the Dist. Manager's office from 8.00 am. to 8.00 pm. A senior officer shall be in charge of the complaint cell to attend to the complaints immediately and redress them.
- Toll free Telephones with numbers 1967 and 18004250082 are functioning in the Commissionerate of Civil Supplies. Dy. Director (Procurement) will be in charge for monitoring the complaints, bringing to the notice of the CCS or the CS Corporation and to send them to districts for Redressal.
- The telephone numbers at the districts and the Commissioner's office to be notified by the APSCSCL to enable farmers, millers and others to make complaints are suggestions etc. The names, designations and the telephone numbers of the officers in charge of the Complaint Cell shall be notified.
- Complaints received to be attended on priority and the grievances of the complainant to be redressed without loss of time.

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